

TO: TOWN COUNCIL

FROM: TOWN MANAGER



RE: AUTHORIZE LETTER TO BE PREPARED ADVISING LEAGUE OF
CALIFORNIA CITIES CONCERNING SUSPENDING AB 32

ISSUE

An urgency matter has arisen whereby the League of California Cities may be considering a proposal, as early as Friday 2/12/10, to advise the Governor to suspend AB 32 for some period of time and Council is asked to determine whether the Town should advise the League concerning this matter.

AMENDING AGENDA

The Brown Act [Section 54954.2] allows the Council to amend an agenda to add an item on which immediate action is needed.

“(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).”

The matter came to the attention of staff yesterday, 2/8/10 and could require action by this coming Friday 2/12/10 if the Council chooses to act.

RECOMMENDATION

Discuss and determine whether to prepare a letter advising the League concerning the issue of whether or not to recommend a suspension of AB 32.

MONEY

There are no costs in supporting or opposing a measure being considered by the League of California Cities.

CEQA

There could be CEQA issues associated with suspending a law that requires certain regulations in order to minimize green house gases. This would be a matter for the State to determine since the State initiated the law.

DISCUSSION

AB 32 was signed into law in 2006 as the Global Warming Solutions Act. It makes Air Resources Boards responsible for monitoring and reducing CHG emissions. The implementation program has been developed over time and starts taking effect in the current calendar year and for some years thereafter. (See attached for descriptions of the law and implementation milestones)

A State Assemblyman, Dan Logue, R – Linda, has created an initiative that has recently been cleared to gather signatures. If the initiative is successful in gathering the requisite number of signatures and goes on the November ballot then voters will decide whether or not to suspend AB 32. The argument in favor of suspension, according to Mr Logue, is that the requirements of AB 32 "...would be extremely costly to businesses and take a heavy toll on the state's economy." (See attached article on Mr. Logue's initiative measure).

While attending a seminar, Council Member Scherer was alerted that the League of California Cities might consider, as early as this Friday, an idea to request that the Governor suspend AB 32 for some period of time. Mayor Liss requested staff to put an urgency item on tonight's agenda to consider this possibility and ask Council to consider a response to the matter.

From: Gary Liss
Sent: Monday, February 08, 2010 11:54 AM
To: Perry Beck

Cc: Gary Liss; 'Crickett Strock'; Walt Scherer; Michele Warren, Smart Growth; Judy Corbett; Laura Podolsky

Subject: Urgency resolution on Suspend AB32?

Perry,
I spoke with Walt Scherer yesterday. He attended the Local Government Commission Smart Growth Conference in Seattle over the past several days, which 1700 attended.

He said that he heard that the League of CA Cities was going to consider a resolution later this week in support of efforts to suspend AB32. He requested that Loomis consider a resolution on Tuesday night to request the LCC NOT to support efforts to suspend AB32, as we have cited AB32 in several of our lawsuits with Rocklin.

A follow up email was received from Judy Corbett of the Local Government Commission that suggests the League may not be considering a formal position as soon as this Friday.

Date: Mon, 8 Feb 2010 23:17:45 -0800
Subject: What's new re: resolution to Suspend AB32
From: Judy Corbett jcorbett@lgc.org
To: gary@garyliss.com

Hi Gary,

I just received an update from Jake:

"According to Judy Mitchell, past prez, LCC, both exec comm & staff will recommend refer issues to other policy committees for review at full board meeting."

I understand from Jake that the proposal is for the LCC to recommend to the Governor and the legislature that AB 32 and SB 375 be suspended due to the current economic climate.

I don't have that in writing, however. Because he's on their Board, Miquel could find out the precisely what is proposed and when the full board will be asked to take action.

Thanks so very much for your help!

Judy

The Council is asked to consider if it wishes to advise the League in their consideration of whether to suspend AB 32. Given the fluid nature of the League's discussion it would be helpful to have a direction now so that the Mayor and/or Council Member Ucovich (Town's representative to the League Northern Division) can respond in a timely manner when or if the issue comes up at the League.

FACTS ABOUT

Assembly Bill 32*Global Warming Solutions Act*

Establishes first-in-the-world comprehensive program of regulatory and market mechanisms to achieve real, quantifiable, cost-effective reductions of greenhouse gases (GHG).

Assembly Bill 32 (AB 32) makes the Air Resources Board (ARB) responsible for monitoring and reducing GHG emissions. Continues the existing Climate Action Team to coordinate statewide efforts.

Requires ARB to:

- Establish a statewide GHG emissions cap for 2020, based on 1990 emissions by January 1, 2008.
- Adopt mandatory reporting rules for significant sources of greenhouse gases by January 1, 2008.
- Adopt a plan by January 1, 2009 indicating how emission reductions will be achieved from significant GHG sources via regulations, market mechanisms and other actions.
- Adopt regulations by January 1, 2011 to achieve the maximum technologically feasible and cost-effective reductions in GHGs, including provisions for using both market mechanisms and alternative compliance mechanisms.
- Convene an Environmental Justice Advisory Committee and an Economic and Technology Advancement Advisory Committee to advise ARB.
- Ensure public notice and opportunity for comment for all ARB actions.
- Prior to imposing any mandates or authorizing market mechanisms, requires ARB to evaluate several factors, including but not limited to: impacts on California's economy, the environment, and public health; equity between regulated entities; electricity reliability, conformance with other environmental laws, and to ensure that the rules do not disproportionately impact low-income communities.
- Adopt a list of discrete, early action measures by July 1, 2007 that can be implemented before January 1, 2010 and adopt such measures.

Implementation Timeline

September 27, 2006	AB 32 signed by Governor
January 25, 2007	ARB creates Environmental Justice and Economic and Technology Advancement Advisory Committees
June 21, 2007	ARB adopts first list of early action measures
October 25, 2007	ARB adopts augmented list of early action measures
December 6, 2007	ARB adopts Mandatory Reporting regulations for greenhouse gases and sets Target for 2020 greenhouse gas emissions
December 2007	ARB adopts 1st discrete early action measure
December 12, 2008	ARB approves AB 32 Climate Change Scoping Plan
April 23, 2009	ARB adopts Low Carbon Fuel Standard
May 22, 2009	ARB and Cal/EPA create the Economic and Allocation Advisory Committee to advise on Cap-and-Trade Program
June 25, 2009	ARB adopts last discrete early action measure
2009 - 2010	ARB and other agencies develop and adopt greenhouse gas rules and programs
January 1, 2010	Early action measures take effect
November 2010	ARB public hearing on Cap-and-Trade regulation
January 1, 2012	All greenhouse gas rules take effect



2010-02-09

AB 32 Implementation Update

Editor's Note: On Jan. 30, we ran a story on AB 32 Implementation. Since then, we have received a number of questions which prompted us to further clarify our original remarks. Therefore we have revised and updated the story.

With the passage of the AB 32 Scoping Plan by the California State Air Resources Board (ARB) in December, 2008 (see "Air Board Adopts Climate Change Scoping Plan" - *Priority Focus*, Dec. 12, 2008); we now begin the two-year process to implement the proposals outlined in the plan. On Jan. 29, the ARB provided an updated timeline of those ideas for 2009 and beyond.

In 2009 and 2010, the focus of the climate change work at the ARB and other state agencies will be to adopt regulations implementing the Scoping Plan. ARB plans to continue to use their formal structure of public workshops, draft regulations and formal comment periods for these regulations. Under existing law, the regulations developed in the next two years, will go into effect no later than Jan. 1, 2012.

The key requirements for any regulations developed in this process must meet the following:

- § Use open public process for new regulations
- § Minimize costs and maximize benefits
- § Protect low-income communities
- § Complement existing smog and air toxics programs
- § Minimize greenhouse gas emission leakage and administrative burdens

The measures listed below are contained within the ARB Scoping Plan and have either been adopted by the ARB or are expected to go before the ARB for adoption in 2009 or 2010. It is important to note that with the exception of city operated landfills (landfill methane control); the measures listed below are not local government mandates. Instead, they are listed here because they are likely to apply to any type of building or facility (including those owned by a city) or raise issues that may affect local decision-making.

AB 32 Scoping Plan Implementation Measures						
Scoping Plan Measure	Responsible Lead State Agency	Projected Date Measure to be Adopted by Lead Agency	Projected Implementation Date	Million Tons of GhG Reductions by 2020	Type of Action (Regulation, Voluntary, etc)	Proposal and Link to Regulations
Pavley tailpipe emissions (AB 1493)	ARB	September 2004	2009-2016	27.7	Regulation	Requires auto manufacturers to reduce emissions from passenger vehicles starting in 2009. www.arb.ca.gov/cc/ccms/ccms.htm
Ship Electrification at Ports**	ARB	December 2007	2010	0.2	Regulation	Requires fleet operators to reduce at-berth emissions from vessels' engines at every California Port by 80 percent by 2020. www.arb.ca.gov/ports/shorepower/shorepower.htm
Tire Pressure Program**	ARB	March 2009	2010	0.1	Regulation	Would require automotive repair dealers to perform a tire check and inflate service as part of every maintenance or repair service. www.arb.ca.gov/cc/tire-pressure/tire-pressure.htm
Low Carbon Fuel Standard**	ARB	April 2009	2010	15	Regulation	Would require fuel providers in California to ensure that the mix of fuel they sell into the California market meets low carbon standards. www.arb.ca.gov/fuels/lcfs/lcfs.htm
Landfill Methane	ARB	April 2009	2012	1	Regulation	Would require landfills in California that have accepted

Control**						waste since 1977 to meet requirements for control of methane emissions. www.arb.ca.gov/cc/landfills/landfills.htm
Stationary Equipment Refrigeration Management	ARB	May 2009	2010	11	Regulation	Would require facilities that own or operate stationary refrigeration or air conditioning systems with high GWP refrigerants of 50 lbs or more to monitor leakage of systems. www.arb.ca.gov/cc/reftrack/reftrack.html
Green Buildings	DGS, ARB, CEC, CPUC, HCD	Ongoing	unknown	26	NA	Includes update to state green building standard through the state building standards commission http://www.bsc.ca.gov/prpsd_stds/default.htm
Commercial Recycling	CIWMB	2010	unknown	5	Regulation	Would require businesses that generate solid waste to recycle that waste. www.ciwmb.ca.gov/climate/Recycling/default.htm
Regional Transportation Related Greenhouse Gas Targets	ARB, Local Government Regional Planning Agencies	September 2010	Set targets by 2010.	5	NA	Set regional emission targets in which metropolitan planning organizations must develop a plan to achieve www.arb.ca.gov/cc/rtac/rtac.htm
ARB- California State Air Resources Board						
CEC- California Energy Commission						
CPUC- California Public Utilities Commission						
DGS- California Department of General Services						
HCD- California Department of Housing and Community Development						
** Discrete Early Action Items are required under AB 32 to be enacted and enforceable by January 1, 2010.						

A full timeline of all ARB implementation measures can be found [online](#).

last updated 2/13/2009

Perry Beck

From: Gary Liss [gary@garyliss.com]
Sent: Monday, February 08, 2010 6:18 PM
To: Perry Beck
Cc: Gary Liss; Walt Scherer
Subject: FW: ALERT: Initiative to suspend AB 32
fyi



The latest on California politics and government

February 4, 2010

Initiative to suspend AB 32 cleared to gather signatures

A proposed initiative to suspend California's landmark legislation to reduce greenhouse gas emission was cleared by the secretary of state's office late Wednesday to begin collecting signatures.

A creator of the initiative, Assemblyman Dan Logue, R-Linda, said he has commitments of \$600,000 from business interests for a campaign to qualify the measure for the ballot.

The initiative would suspend implementation of Assembly Bill 32, which called for reducing California's greenhouse gas emissions to 1990 levels by 2020.

Logue and other opponents have argued that AB 32 would be extremely costly to businesses and take a heavy toll on the state's economy.

The proposed initiative would suspend the state's greenhouse-gas reduction requirements until California's unemployment rate, currently above 12 percent, falls to 5.5 percent or less for four consecutive quarters.

To qualify for the November ballot, backers of the initiative must collect 433,971 voter signatures by June 24. To qualify for a 2011 special election or a 2012 statewide election, the deadline is July 5, the secretary of state's office said.

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2/9/2010